

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF PARKSVILLE WATER)	
DISTRICT OF BOYLE COUNTY, KENTUCKY,)	CASE NO.
FOR A CERTIFICATE OF PUBLIC CONVENIENCE)	95-034
AND NECESSITY TO CONSTRUCT, FINANCE AND)	
INCREASE RATES PURSUANT TO KRS 278.023)	

O R D E R

On January 25, 1995, Parksville Water District ("Parksville Water") filed an application for a Certificate of Public Convenience and Necessity to construct a \$1,305,000 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project will make water system improvements and includes the refinancing of certain existing debt. Project funding includes a \$677,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Economic and Community Development ("RECD"), formerly known as Farmers Home Administration, a \$543,000 grant from RECD, and \$85,000 in Parksville Water reserve funds.

Parksville Water's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U. S. Department of Agriculture and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were

met in this case on January 25, 1995, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Parksville Water is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Parksville Water's proposed plan of financing with RECD is accepted.

3. Parksville Water is authorized to issue bonds not to exceed \$677,000 to be held or insured by RECD.

4. Parksville Water shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

5. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.

6. Parksville Water shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

7. Parksville Water shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section

5(1), Parksville Water shall take immediate action to bring the system into compliance with Commission regulations.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 24th day of February, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 95-034 DATED FEBRUARY 24, 1995

The following rates and charges are prescribed for the customers in the area served by Parksville Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES

First	1,000 gallons	\$14.00 Minimum Bill
Next	4,000 gallons	4.50 per 1,000 gallons
Next	5,000 gallons	4.30 per 1,000 gallons
All Over	10,000 gallons	4.00 per 1,000 gallons

Special Charges

Tap on Fee	\$450.00
Service Run (Where customer has made a complaint and the District is not at fault)	20.00
Collection of Delinquent Accounts	20.00
Reconnection Charge	30.00
Meter Test Request (Charged when meter is found to be accurate)	25.00
Returned Check	15.00
New Service Deposit	60.00